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Proposed programme budget for the biennium 1996-1997*

Part IX Special expenses

Section 28
Special expenses

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* The present document contains section 28 of the proposed programme budget for the biennium 1996-1997. The complete proposed programme budget will subsequently be issued in final printed form as *Official Records of the General Assembly, Fiftieth Session, Supplement No. 6* (A/50/6/Rev.1).

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Section 28
Special expenses

Overview

28.1 Under section 28, Special expenses, resources are provided to cover specific expenditure requirements for (a) after-service health insurance; (b) compensatory payments; (c) general insurance charges; (d) bank charges; and (e) interorganizational security measures. Commencing in 1996-1997, resource requirements under section 28 will also include provision for pension payments to former Secretaries-General, formerly provided under section 1, Overall policy-making, direction and coordination.

Table 28.1 **Summary of requirements by programme**
(Thousands of United States dollars)

(1) *Regular budget*

Programme		*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
				Amount	*Percentage*			
A.	After-service health insurance	24 064.0	28 671.3	2 384.8	8.3	31 056.1	5 370.5	36 426.6
B.	Compensatory payments	1 526.2	1 671.0	—	—	1 671.0	81.5	1 752.5
C.	General insurance	943.3	1 132.6	—	—	1 132.6	54.9	1 187.5
D.	Bank charges	99.5	162.9	—	—	162.9	7.8	170.7
E.	Interorganizational security measures	690.2	1 157.3	(210.2)	(18.1)	947.1	45.8	992.9
F.	Pension payments to former Secretaries-General	—	—	369.4	—	369.4	—	369.4
G.	UNITAR	262.6	—	—	—	—	—	—
	Total	**27 585.8**	**32 795.1**	**2 544.0**	**7.7**	**35 339.1**	**5 560.5**	**40 899.6**

(2) *Extrabudgetary resources*

1992-1993 expenditures	*1994-1995 estimates*	*Source of funds*	*1996-1997 estimates*
		(a) Services in support of:	
—	—	(i) United Nations organizations	—
—	—	(ii) Extrabudgetary activities	3 715.5
34.9	233.2	Support to peace-keeping operations	232.3
—	—	(b) Substantive activities	—
—	—	(c) Operational projects	—
34.9	**233.2**	**Total**	**3 947.8**
27 620.7	**33 028.3**	**Total (1) and (2)**	**44 847.4**

Table 28.2 **Summary by object of expenditure**
(Thousands of United States dollars)

(1) *Regular budget*

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Other staff costs	25 630.1	30 342.3	2 754.2	6.8	33 096.5	5 452.0	38 548.5
Supplies	5.5	—	—	—	—	—	—
Consultants	17.2	—	—	—	—	—	—
Equipment	20.0	—	—	—	—	—	—
General operating expenses	1 222.8	1 295.5	—	—	1 295.5	62.7	1 358.2
Other	690.2	1 157.3	(210.2)	—	947.1	45.8	992.9
Total	**27 585.8**	**32 795.1**	**2 544.0**	**7.7**	**35 339.1**	**5 560.5**	**40 899.6**

(2) *Extrabudgetary resources*

1992-1993 expenditures	*1994-1995 estimates*	*Object of expenditure*	*1996-1997 estimates*
34.9	212.9	Posts	227.9
—	—	Other staff costs	3 715.5
—	18.0	General operating expenses	4.2
—	0.2	Supplies	0.2
—	2.1	Equipment	—
34.9	**233.2**		**3 947.8**
27 620.7	**33 028.3**		**44 847.4**

Total (1) and (2)

A. After-service health insurance

Table 28.3 **Summary by object of expenditure**
(Thousands of United States dollars)

(1) *Regular budget*

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Other staff costs	24 064.0	28 671.3	2 384.8	8.3	31 056.1	5 370.5	36 426.6
Total	**24 064.0**	**28 671.3**	**2 384.8**	**8.3**	**31 056.1**	**5 370.5**	**36 426.6**

(2) *Extrabudgetary resources*

	1992-1993 expenditures	*1994-1995 estimates*	*Source of funds*	*1996-1997 estimates*
			(a) Services in support of:	
	—	—	(i) United Nations organizations	—
	—	—	(ii) Extrabudgetary activities	3 715.5
	—	—	(b) Substantive activities	—
	—	—	(c) Operational projects	—
Total	—	—		**3 715.5**
Total (1) and (2)	**24 064.0**	**28 671.3**		**40 142.1**

28.2 After-service health insurance coverage (for hospitalization, medical and dental expenses) is provided to retired staff members and their dependants in accordance with a General Assembly decision taken at its twenty-first session. By the same decision, coverage is also provided to staff members whose appointment is terminated as a result of disability. In all cases, coverage is available only to those who are eligible to receive a periodic benefit from the United Nations Joint Staff Pension Fund or under the rules governing compensation for service-incurred death, injury or illness. Based on General Assembly resolution 38/235 of 20 December 1983, the cost-sharing ratio applicable is 2 to 1 between the Organization and the participants.

28.3 By its resolution 40/258 of 18 December 1985, the General Assembly decided to extend the after-service health insurance coverage to former locally recruited staff who participated in a medical expense assistance plan under appendix E to the Staff Rules.

28.4 Following retirement, staff members are eligible for subsidized after-service coverage if they have participated in a United Nations system contributory health insurance plan for at least 10 years and are participating in a United Nations plan at the time of retirement. Staff members who upon retirement have participated in a United Nations contributory plan for at least five years are also eligible, provided that they pay the full premium for the period for which their participation falls short of the 10-year requirement for subsidized participation.

28.5 From a modest scale at its inception, the after-service health insurance programme has grown substantially in terms of both the number of participants and the cost. The growth in the resources required for the programme since the mid-1980's has been particularly marked, stemming from growth in the number of participants and the escalation of medical costs and the related insurance premiums. While the costs of medical services continue to rise at rates higher than the cost of living, some of the increase which otherwise would be incurred has been offset by cost containment measures implemented during the course of the biennium 1994-1995, particularly with respect to the health insurance plans offered at Headquarters. Efforts in this respect are ongoing and will be accorded a high priority in the forthcoming biennium.

Resource requirements (at current rates)

Posts

28.6 The estimated requirement of $31,056,100 includes a provision of $28,671,300 for payments to maintain the membership in the after-service health insurance programme at the level of the biennium 1994-1995 and growth of $2,384,800 owing to an anticipated annual 8.2 per cent increase in membership in the insurance programme during the biennium 1996-1997. The proposed provision of $31,056,100 is based on an assumption that 89.8 per cent of the total subsidy is attributable to the regular budget and 10.2 per cent to extrabudgetary accounts. The percentage is based on an analysis of the relative share of staff enrolled in the after-service health insurance programme at the end of 1994 who at the time of retirement were financed from extrabudgetary sources.

B. Compensatory payments

Table 28.4 **Summary by object of expenditure**
(Thousands of United States dollars)

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Other staff costs	1 526.2	1 671.0	—	—	1 671.0	81.5	1 752.5
Total	**1 526.2**	**1 671.0**	**—**	**—**	**1 671.0**	**81.5**	**1 752.5**

28.7 The estimates under compensatory payments provide for compensation to members of commissions, committees or other similar United Nations bodies in the event of death, injury or illness attributable to service with the United Nations. The responsibilities of the United Nations in this area, as well as the rules governing compensatory payments are detailed in ST/SGB/103/Rev.1.

28.8 Compensation is also provided to staff members or their dependants in event of death, injury or illness attributable to the performance by the staff member of official duties on behalf of the United Nations. The compensation is governed by the specific rules under appendix D to the Staff Rules, as detailed in ST/SGB/Staff Rules/Appendix D/Rev.1/Amend.1.

28.9 The costs incurred on both those accounts may include death annuities, monthly benefits for incapacity resulting from injury or illness, lump-sum indemnities for permanent disabilities, and medical, hospital and other directly related expenses.

Resource requirements (at current rates)

Other staff costs

28.10 The estimated requirements of $1,671,000 for compensatory payments are based on data for the years 1990 to 1994. The number of claims submitted for review by the Advisory Board on Compensation Claims and by the United Nations Claims Board amounted to 200 in 1990, 262 in 1991, 242 in 1992, 283 in 1993 and 570 in 1994. The sharp increase in the number of cases during 1994 is due to an increase in claims from field missions. The actual expenditure for compensatory payments amounted to $1,526,235 in 1992-1993 and to $1,049,400 in 1994.

C. General insurance

Table 28.5 **Summary by object of expenditure**
(Thousands of United States dollars)

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
General operating expenses	943.3	1 132.6	—	—	1 132.6	54.9	1 187.5
Total	**943.3**	**1 132.6**	**—**	**—**	**1 132.6**	**54.9**	**1 187.5**

28.11 The provisions under general insurance relate mainly to insurance of the buildings and property at United Nations Headquarters, including automobiles and art works, as well as to insurance of aircraft used for travel by the Secretary-General and not owned by the United Nations, and insurance for other air travel. In addition, in accordance with General Assembly resolution 41/210 of 11 December 1986, the United

Nations has established a self-insurance plan for general liability risk in respect of acts occurring within the Headquarters district in the United States of America.

Resource requirements (at current rates)

General operating expenses

28.12 Property and liability insurance rates are projected to be relatively stable in 1996-1997 based on trends foreseen at the present time. As a result, no additional requirements are sought under this heading. The estimated requirements of $1,132,600 for general insurance include a provision of $670,100 for commercial insurance estimated on the basis of recent trends in premium rates in the commercial insurance markets. In addition, a provision of $462,500 would be required for general liability insurance, broken down as follows:

		United States dollars
(a)	Costs of irrevocable letter of credit (in replacement of costs of purchased certificates of insurance)	12 500
(b)	Costs of liability claims processing and associated legal expenses and expert advice	50 000
(c)	Two annual instalments ($200,000 each) for the liability reserve fund under the self-insurance plan in accordance with General Assembly resolution 41/210	400 000
	Total	**462 500**

D. Bank charges

Table 28.6 **Summary by object of expenditure**
(Thousands of United States dollars)

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
General operating expenses	99.5	162.9	—	—	162.9	7.8	170.7
Total	**99.5**	**162.9**	**—**	**—**	**162.9**	**7.8**	**170.7**

Resource requirements (at current rates)

General operating expenses

28.13 The estimated requirements of $162,900, at the maintenance level, relate to airmail, cable and commission costs charged to the Organization by banks in respect of remittance and bank transfers made by them on its behalf.

E. Interorganizational security measures

1. United Nations share

Table 28.7 **Estimates for interorganizational security measures**
(Thousands of United States dollars)

(1) *Regular budget*

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Other	690.2	1 157.3	(210.2)	—	947.1	45.8	992.9
Total	**690.2**	**1 157.3**	**(210.2)**	**—**	**947.1**	**45.8**	**992.9**

(2) *Extrabudgetary resources*

1992-1993 expenditures	*1994-1995 estimates*	*Source of funds*	*1996-1997 estimates*
		(a) Services in support of:	
—	—	(i) United Nations organizations	—
		(ii) Extrabudgetary activities	
34.9	233.2	Support account for peace-keeping operations	232.3
—	—	(b) Substantive activities	—
—	—	(c) Operational projects	—
34.9	**233.2**	**Total**	**232.3**
725.1	**1 390.5**	**Total (1) and (2)**	**1 225.2**

28.14 In the biennium 1994-1995 provisions were made under interorganizational security measures for the United Nations share of the costs of insurance coverage for hazardous duty stations. The costs of interorganizational security measures themselves were met through the provision under the relevant resolution on unforeseen and extraordinary expenses, whereby the Secretary-General is authorized to enter into commitments in an amount not exceeding $500,000 during the biennium.

28.15 For 1996-1997, provision is proposed for the United Nations share of the costs of: (a) insurance coverage for hazardous duty stations; and (b) the staff of the Office of the United Nations Security Coordinator. The latter costs had, heretofore, not been sought in the context of the proposed programme budget, but in the context of the performance report. It is proposed that this situation be regularized as detailed further.

28.16 The United Nations Security Coordinator acts on behalf of the Secretary-General to ensure a coherent response by the United Nations to emergency situations and is responsible for all policy/procedural aspects of security matters. In addition, on behalf of the Secretary-General, the United Nations Security Coordinator takes decisions relating to evacuations. The United Nations Security Coordinator formulates detailed recommendations aimed at ensuring the safety and security of staff members and eligible family members of the entire United Nations system, initiates discussions with representatives of agencies, political departments and other relevant offices in the Organization on current and potential security-related problems and is responsible for coordinating, planning and implementing inter-agency security and safety programmes and for acting as the focal point for inter-agency cooperation.

28.17 The Office of the United Nations Security Coordinator is staffed by two staff members in the Professional category and above (one D-1 and one P-3) and two General Service staff members who, following a decision by the Administrative Committee on Coordination, are funded on an inter-agency basis. In

addition, one P-4 and one General Service post are provided on a non-reimbursable loan by UNDP, while one P-4 post is funded from the support account for peace-keeping operations.

28.18 Provision for the United Nations share of expenditures in respect of staff costs funded on an inter-agency basis had heretofore been sought on an *ex post facto* basis in the context of the performance report. It is now proposed that the United Nations share of staff and the operating costs of the Office of the United Nations Security Coordinator be included *ex ante* in the United Nations regular budget. The provision of the resolution on unforeseen and extraordinary expenditures would continue to apply to security expenses for which requirements cannot be foreseen at this stage, such as evacuation operations, provision of movable equipment for security purposes, short-term security personnel in an emergency and field security missions deemed necessary by the United Nations Security Coordinator. The activities undertaken by the staff of the Office are described below.

Activities

1. Parliamentary services

Parliamentary documentation. Annual report of the Secretary-General on respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations.

2. Published material

Technical material. United Nations Security Handbook.

3. Coordination, harmonization and liaison

(a) Coordinating all aspects of inter-agency security cooperation, including coordinating, planning and implementing inter-agency security and safety programmes, as well as organizing and managing evacuation of United Nations system staff, as necessary;

(b) Maintaining liaison with permanent missions as necessary;

(c) Annual reports to the Administrative Committee on Coordination through the Consultative Committee on Administrative Questions (Financial and Budgetary Questions) and the Consultative Committee on Administrative Questions (Personnel and General Administrative Questions);

(d) Developing an interorganizational programme for critical incident stress management, including the development of training programmes and strategies for organizations to respond to emergency situations where staff have been affected by violence;

(e) Organizing and conducting seminars and inter-agency meetings on an ad hoc basis, including preparation of all documentation required therefor;

(f) Preparation of daily/monthly security reports, which are sent to all United Nations organizations and are also distributed internally;

(g) Coordinating all issues and actions required in cases of arrest/detention of United Nations staff or dependants.

4. Administrative support services

(a) Monitoring on a close and continuous basis the prevailing level of security risk for each field office;

(b) Assessing the level of security planning and preparedness and ensuring the viability of a specific detailed security plan at each duty station for both international and national staff;

(c) Providing staff in the field with advice and guidance regarding the management of security problems;

(d) Briefing staff prior to assignment to their duty station;

(e) Collecting, interpreting and disseminating information regarding potential threats to security of United Nations system staff;

(f) Organizing, managing and coordinating evacuation of United Nations staff and dependants as necessary;

(g) Supervising and instructing the field-based corps of Field Security Officers, who are hired on an inter-agency basis by UNDP;

(h) Undertaking security-related evaluation missions to appraise specific aspects of security on site;

(i) Developing, organizing and presenting security-related training programmes and organizing training seminars in cooperation with the United Nations Training Service and services of other organizations;

(j) Conducting investigations, as required, into the deaths of staff members in the field under suspicious circumstances;

(k) Managing the malicious acts insurance policy covering approximately 20,000 staff members.

28.19 In accordance with the formula agreed on by the Administrative Committee on Coordination, the share of the United Nations for the cost of interorganizational security measures for 1996-1997 is estimated at $947,100, including the United Nations share of hazardous duty station life insurance coverage for 1996-1997 ($792,000).

2. Total requirements for interorganizational security measures

Table 28.8 **Summary by object of expenditure**
(Thousands of United States dollars)

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Posts	—	—	610.1	—	610.1	34.1	644.2
Insurance	—	—	3 600.0	—	3 600.0	173.8	3 773.8
Other staff costs	—	—	1.9	—	1.9	—	1.9
Travel	—	—	88.0	—	88.0	4.2	92.2
General operating expenses	—	—	69.3	—	69.3	3.6	72.9
Supplies and materials	—	—	6.2	—	6.2	0.4	6.6
Total	**—**	**—**	**4 375.5**	**—**	**4 375.5**	**216.1**	**4 591.6**

Table 28.9 **Post requirements**

Programme: Interorganizational security measures

	Established posts		*Temporary posts*					
	Regular budget		*Regular budget*		*Extrabudgetary resources*		*Total*	
	1994-1995	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*	*1994-1995*	*1996-1997*
Professional category and above								
D-1	1	1	—	—	—	—	1	1
P-5	—	—	—	—	—	—	—	—
P-4	—	—	—	—	2	2	2	2
P-3	1	1	—	—	—	—	1	1
Total	**2**	**2**	**—**	**—**	**2**	**2**	**4**	**4**
General Service category								
Principal level	—	—	—	—	—	—	—	—
Other levels	2	2	—	—	1	1	3	3
Total	**2**	**2**	**—**	**—**	**1**	**1**	**3**	**3**
Grand total	**4**	**4**	**—**	**—**	**3**	**3**[a]	**7**	**7**

[a] One P-4 and one General Service post provided on a non-reimbursable loan by UNDP, one P-4 post funded from the support account for peace-keeping operations.

Posts

28.20 The requirements of $610,100 relate to salaries and common staff costs of the staff of the Office of the United Nations Security Coordinator (one D-1, one P-3 and two General Service posts).

Insurance

28.21 The cost for interorganizational insurance is estimated at $3.6 million. This relates to the provision of life insurance coverage which has been obtained on a system-wide basis beginning 1 January 1990 for staff members required to work in areas which, as determined by the United Nations Security Coordinator, might involve certain risks.

28.22 Coverage is related to malicious acts only, that is, for death or disability caused directly by war, invasion, acts of foreign enemies, hostilities, civil war, revolution, rebellion, insurrection, military or usurped power, riots or civil commotion, sabotage, explosion of war weapons, terrorist activities, murder, assault by foreign enemies or any attempt thereat.

28.23 The following categories of staff are covered by this policy: internationally recruited staff, experts and consultants on official mission/travel/daily subsistence allowance status and other United Nations official visitors in the designated countries, internationally recruited General Service staff as well as all staff paid on the basis of the Field Service category and locally recruited staff members (coverage is for service-incurred events only, including travel to and from the workplace).

Other staff costs

28.24 Estimated requirements of $1,900 would provide overtime during peak workload periods including during emergency security situations.

Travel

28.25 A provision of $88,000 is proposed to enable Security Coordination Officers to undertake security assessment missions to selected duty stations to ensure compliance with security instructions.

General operating expenses

28.26 An estimated $69,300 would provide for the following expenditures:

(a) $46,800 for communications, including long-distance telephone and facsimile charges;

(b) $1,400 for hospitality to cover requirements arising out of the official activities of the Office of the United Nations Security Coordinator;

(c) $6,400 for the maintenance of existing office automation equipment;

(d) $14,700 for subscription to a commercial information service which provides daily information in connection with global security issues.

Supplies and materials

28.27 Estimated requirements of $6,200 are requested for the purchase of supplies for office automation equipment and general office supplies for the Office of the United Nations Security Coordinator.

F. Pension payments to former Secretaries-General

Table 28.10 **Summary by object of expenditure**
(Thousands of United States dollars)

Object of expenditure	*1992-1993 expenditures*	*1994-1995 appropriations*	*Resource growth*		*Total before recosting*	*Recosting*	*1996-1997 estimates*
			Amount	*Percentage*			
Posts	—	—	369.4	—	369.4	—	369.4
Total	**—**	**—**	**369.4**	**—**	**369.4**	**—**	**369.4**

Posts

28.28 The requirements of $369,400 reflect the provision for retirement allowances of former Secretaries-General. These had hitherto been provided for under section 1.